GOVERNMENT OF INDIA
CIVIL AVIATION
LOK SABHA

UNSTARRED QUESTION NO:4304
ANSWERED ON:12.08.2002
TUSSLE BETWEEN AI AND IA ON SHARE FROM GULF EARNINGS
ADHIR RANJAN CHOWDHURY

Will the Minister of CIVIL AVIATION be pleased to state:

(a) whether the Government are aware of the tussle between Air India and Indian Airlines on sharing of earnings from Gulf operations;

(b) if so, the details thereof; and

(c)the efforts being made to settle the issue?

Answer

MINISTER OF STATE IN THE MINISTRY OF CIVIL AVIATION (SHRI SHRIPAD YESSO NAIK)

(a),(b) and (c) : No, Sir. However, Indian Airlines and Air India entered into a Memorandum of Understanding in 1994 covering interalia, a revenue sharing arrangement on Gulf routes and Joint Venture Flights to Gulf. The Gulf revenue sharing arrangement involved pooling and sharing of the Gulf flights of the two airlines, based on a formula mutually agreed. Reconciliation of accounts of these operations is being done by Air India and Indian Airlines on a regular basis. The Joint Venture arrangement has since been terminated (in February, 2002) and the flights divided equally between the two airlines.